



1400 Glenn Curtiss St. Carson, CA 90746. Phone: +1 310 900 1974

May 13, 2015

Secretary, Federal Maritime Commission 800 N. Capitol St. NW Washington, DC 20573-0001

Cc: Edward D. Greenberg GKG Law P.C. 1055 Thomas Jefferson St. NW Ste 500 Washington, DC 20007

RE: Petition P2-15

To the honorable Secretary, Federal Maritime Commission:

Mainfreight, Inc. is wholly supportive of the petition referenced above, filed by the National Customs Brokers and Forwarder's Association, to expand the Negotiated Rate Arrangement (NRA) exemption in 46 CFR Part 532 to allow inclusion of economic terms beyond rates into NRA's, and to allow modification of NRA's at any time upon mutual agreement between NVOCC's and their customers. In addition, we fully support the proposed revision of 46 CFR Part 531 pertaining to eliminate the filing and essential terms publication requirement of NSA's and – as per the NCBFAA – would prefer elimination of 46 CFR 531 in its entirety.

As a licensed NVO/OTI, Mainfreight, Inc. is keenly aware of the burdens imposed on the trade with the current NRA and NSA process. Indeed, the marketplace has changed dramatically over the years, and the need to allow for prompt and instantaneous changes to rates - given today's competitive landscape - has become first and foremost a matter of business necessity.

We implore the FMC to welcome and support this proposed (business-friendly) change in the NRA process, as it is clear that current realities of business require less regulation, not more, in the arena of ocean freight pricing. In addition, and more to the point, it would eliminate a regulatory burden that, over time, has come to represent a significant hurdle to the profitability and sustainability of the NVOCC business model. As you know, the NVOCC share of the ocean freight business is in decline – current estimates place the NVOCC share of TEU bookings at approximately 36% only. It is clear that this regulatory reform is the type that is needed to help arrest this continuing decline in market share by allowing for the implementation of instantaneous rate changes – a requirement in today's volatile maritime transport market.

We would like to respectfully ask the FMC for their full support of this proposed- and welcome - regulatory relief. Thank you.

Respectfully,

Mark Neumann, Director of Customs

Mainfreight, Inc.

2015 MAY 18 PM 12: 44

OFFICE OF THE SECRETARY
FEDERAL MARITIME COMP

KECEIVEU